Benefits of Downfall of Global Oil Prices

2550. SHRI YERRA NARAYANASWAMY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the down-swing in global crude prices will benefit Indian downstream units;

(b) the details of the benefits of the down-swing in global crude prices to the Indian consumer;

(c) whether it is a fact that the benefits are not being passed on to the Indian public; and

(d) if so, the steps proposed to examine the reasons for this cornering of benefits of the down-swing of crude oil by Corporations?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) to (d) Effective 1.4.98, the domestic refineries are outside the purview of the Administered Pricing Mechanism (APM) and crude oil & product price applicable to them are linked to international prices.

Government announced a comprehensive package to end the oil pool deficit on September 1, 1997. The Government also decided that hence forth the price of HSD would be on import parity basis. Accordingly, the ex-storage point price of HSD has been revised as under:

Effective Dates	Ex-storage point price (excluding Excise duty etc.) Rs./KL
07.11.97	7918.04
25.12.97	7996.84
01.03.98	7839.24
04.04.98	7645.47
20.05.98	7536.89

The prices of petroleum products like Naphtha, FO, LSHS, Bitumen, paraffin-wax etc. have been decontrolled w.e.f. 1.4.98 and the oil companies have been allowed to fix their prices based on the market consideration. The ex-storage prices (exclusive of duty etc.) of Naphtha/FO and LSHS have been reduced by 5% and 7% respectively effective 1.4.98. The total annual savings to the consumers is presently estimated at around Rs. 668 crore.

Malpractices by Petrol Pumps in Delhi

2551. SHRIMATI KAMLA SINHA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether a recent surprise check on petrol pumps in Delhi conducted by the Department of Weights and Measures revealed malpractices being indulged in by the petrol pumps cheating the customers in the quantity of petrol sold;

(b) if so, what are the details thereof; and

(c) what corrective measures are contemplated by Government to check it.

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR): (a) Yes, Sir.

(b) In June, 1998, 126 petrol pumps in Delhi were inspected by officials of Weights & Measures deptt. of Delhi Administration and evidence of contravention of the requirements of the Standards of Weights & Measures (Enforcement) Act, 1985 was found in 12 cases.

Prosecution under section 39 of the standards of Weights & Measures (Enforcement) Act, 1985 has been initiated In the 12 cases, as part of action being taken to enforce the law relating to Standards of Weights and Measures.